

**NOTICE OF PUBLIC HEARING WITH RESPECT TO THE ISSUANCE OF BONDS  
BY THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT  
BANK FOR THE BENEFIT OF THE TRUSTEES OF  
THE J. DAVID GLADSTONE INSTITUTES**

NOTICE IS HEREBY GIVEN that on September 23, 2011, at 10:00 a.m., the California Infrastructure and Economic Development Bank (the "I-Bank") will hold a public hearing, as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), with respect to the proposed issuance of bonds pursuant to a plan of finance on behalf of the Trustees of The J. David Gladstone Institutes, a charitable trust created under the will of J. David Gladstone (the "Borrower"), in one or more series, in an aggregate principal amount not to exceed \$153,000,000 (the "Bonds"). The Borrower operates a medical research organization and is an organization described in Section 501(c)(3) of the Code.

The proceeds of the Bonds will be loaned to the Borrower, in accordance with a plan of finance, for the purpose of (1) refunding the California Infrastructure and Economic Development Bank Revenue Bonds, Series 2001 (The J. David Gladstone Institutes Project), the proceeds of which, among other things, were used to finance the acquisition of an approximately 60,000 square foot parcel of land and the construction of an approximately 185,000 square foot building located at 1650 Owens Street, San Francisco, California 94158, along with associated facilities, improvements, equipment and furnishings (collectively, the "Facilities"), which serve as the location of research and associated facilities for the benefit of the Borrower; (2) financing the acquisition and installation of equipment and related Facilities improvements to be used in connection with the laboratory services and research activities to be conducted at the Facilities; and (3) paying certain expenses incurred in connection with the issuance of the Bonds. The Facilities are owned and operated by the Borrower.

The Bonds will be limited obligations of the I-Bank payable solely from loan payments to be made to the I-Bank by the Borrower and other amounts pledged therefor. The I-Bank will have no obligation to make payments with respect to the Bonds from any other source of funds. Neither the faith and credit nor the taxing power of the State of California or any political corporation, subdivision or agency of the State of California will be pledged to any payments with respect to the Bonds.

The hearing will commence on September 23, 2011 at 10:00 a.m. and will be held in the Conference Room at the offices of the I-Bank located at 980 9th Street, Suite 900, Sacramento, California 95814. Interested persons wishing to express their views on the issuance of the Bonds will be given an opportunity to do so at the public hearing or may submit written comments, which must be received prior to the hearing, to the I-Bank, c/o Ms. Roma Cristia-Plant, Assistant Executive Director, California Infrastructure and Economic Development Bank, 980 9th Street, Suite 900, Sacramento, California 95814.

For further particulars about the hearing, contact Ms. Roma Cristia-Plant, Assistant Executive Director, at the address above.

Dated: September 9, 2011